

THE COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

THIRD SET OF INFORMATION REQUESTS OF  
THE DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY  
TO ALL PARTICIPANTS

D.T.E. 04-116

Respondent: Amy Smith

Date: July 27, 2005

Information Request DTE-A 3-2

- Q. Please discuss the feasibility of adopting a telephone answering performance measure described below.
- (a) Eighty percent of telephone calls answered within 30 seconds, as defined by a customer receiving and selecting between the option to receive automated information (e.g., account balance) and speaking with a customer service representative;
  - (b) Eighty percent of telephone calls answered within 40 seconds, with the same parameters as in (a);
  - (c) Eighty percent of telephone calls answered within 60 seconds, with the same parameters as in (a);
  - (d) Seventy-five percent of telephone calls answered within 30 seconds, with the same parameters as in (a);
  - (e) Seventy-five percent of telephone calls answered within 40 seconds, with the same parameters as in (a);
  - (f) Seventy-five percent of telephone calls answered within 60 seconds, with the same parameters as in (a);
  - (g) Seventy-five percent of telephone calls answered within 20 seconds, with the same parameters as in (a).
- A. The information system used by the Company to record its telephone response times is technically capable of tracking performance data under any of the parameters noted by the Department. However, it is not “feasible” or reasonable

to adopt any of the parameters above as a performance benchmark on a generic basis because the benchmarks are not based on the company-specific historical performance data. The Company's performance on the telephone answering metric (and all other SQ metrics) is a direct function of system capabilities, historical training practices, collective bargaining work-rule requirements, human resource capabilities and expertise, customer demographics and a number of other system-specific factors. Therefore, the Company's historical (*i.e.*, current and past) performance must be incorporated into any performance benchmark that is set in order for the benchmark to be a "feasible" and reasonable level for the Company. The benchmarks set forth above bear no relationship to the Company's *actual* performance, and therefore, do not take into consideration any of the system-specific factors that affect the Company's ability to achieve a particular level of service.

In fact, because the above-referenced benchmarks bear no relation to the level of service currently provided by the Company (or any other specific utility), imposition of one of the benchmarks set forth above could actually allow a *degradation* of service to the extent that the selected benchmark was lower than the historical level provided to customers by the utility, which is the exact situation that the SQ Guidelines are designed to protect against. Conversely, depending on the level chosen by the Department, the benchmark could require a significantly increased level of service quality without any consideration of the costs, time and resources that would be involved in actually achieving that level of service, which could be substantial. For some companies (like KeySpan), the situation may be that the company has been measuring call-response time for several years and has structured its operations to achieve the optimal balance of a high level of service to customers at a reasonable cost. At that point, even the smallest improvements in telephone response times may require significant incremental investment, *i.e.*, to achieve the next increment of service, significant changes would have to be implemented at a cost that may not be warranted given the incremental level of service improvement that would be achieved. Therefore, before the Department could impose a benchmark that would be higher than historical service, it would need to evaluate on a company-specific basis what the costs of that improvement would be and whether it would be warranted.

By contrast, the current service quality guidelines, which measure telephone response performance against company specific historical performance and provides a penalty for those companies who fail to maintain their performance, provide an appropriate incentive for companies to maintain service quality at the level their customers have come to expect. Moreover, the reporting requirements of the Guidelines provide the Department with adequate information to take action against those companies who choose not to maintain service quality levels despite the financial consequences of doing so.